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UNION PACIFIC RAILROAD
101 N. Wacker Dr., Rm. 1920
Chicago, Illinois 60606-1718

Mack H. Shumate, Jr. Senior General Attorney, Law Department

P 312 777 2066
F 312 777 2065

March 3, 2011

VIA E-FILE

The Honorable Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E. Street, S.W., Room #100
Washington, DC 20423-0001

ENTERED
Office of Proceedings

MAR 03 2011

Part of
Public Record

FILED

MAR 3 2011

**SURFACE
TRANSPORTATION BOARD**

PETITION FOR ABANDONMENT EXEMPTION

AND

**REQUEST UNDER 49 U.S.C. § 10502 TO EXEMPT THE PROPOSED
ABANDONMENT FROM THE OFFER OF FINANCIAL
ASSISTANCE PROGRAMS OF 49 U.S.C. § 10904
FOR REASONS OF OVERRIDING PUBLIC NEED**

RE: STB Docket No. AB-33 (Sub-No. 296X), Petition for Abandonment Exemption of two segments of the Riverside Industrial Lead in California totaling 5.0 miles. The first segment begins at Milepost 540.15 near Colton and ends at Milepost 543.88 near Riverside, a distance of 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in Riverside County. The second segment begins at Milepost 544.56 and ends at Milepost 545.83, the end of the line, a distance of 1.27 miles near Riverside, Riverside County, California

Dear Ms. Brown:

Pursuant to 49 U.S.C. §10502, Union Pacific Railroad Company ("UP") hereby submits by eFiling the Petition for Exemption, with Verification, to abandon the above-referenced rail line. The Certificate of Service and Publication pursuant to 49 C.F.R. §1152.60(d) and 49 C.F.R. §1105.12 is attached to the petition. Also enclosed is a draft Federal Register notice pursuant to 49 C.F.R. §1152.60(c). UP is also seeking under 49 U.S.C. § 10502 exemption from the offer of Financial Assistance Provisions of 49 U.S.C. § 10904 for reasons of overriding public need.

Please file the Petition for Exemption in Docket No. AB-33 (Sub-No. 296X). Enclosed is a credit authorization voucher in the amount of \$6,300.00 for the filing fee.

Very truly yours,

FEE RECEIVED

MAR 3 2011

**SURFACE
TRANSPORTATION BOARD**

[Signature]
Mack H. Shumate, Jr.

2011_03_03 STB-Ltr re Petition for Exemption.doc



Surface Transportation Board
Section of Administration
March 3, 2011
Page 2

cc (w/ enclosures):

MTMCTEA
Attn: Railroads for National Defense
720 Thimble Shoals Blvd., Suite #130
Newport News, VA 23606-2574

U.S. Department of the Interior
National Park Service
Recreation Resources Assistance Divn.
P.O. Box 37127
Washington, DC 20013-7127

U.S. Department of Agriculture
Chief of the Forest Service
4th Floor N.W., Auditors Building
14th Street & Independence Ave., S.W.
Washington, DC 20250

Executive Director
Public Utilities Commission of
the State of California
Attn: Tack Joe – Rail Safety
505 Van Ness
San Francisco, CA 94102

Rail Program Manager
Planning Division
California Transportation Department
1120 N. Street
Sacramento, CA 95814

Transportation Planner
Department of Transportation
1120 N. Street
Sacramento, CA 95814

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Docket No. AB-33 (Sub-No. 296X)

**UNION PACIFIC RAILROAD COMPANY
-- ABANDONMENT EXEMPTION --**

**IN RIVERSIDE AND SAN BERNARDINO COUNTIES, CALIFORNIA
(RIVERSIDE INDUSTRIAL LEAD)**

PETITION FOR ABANDONMENT EXEMPTION

AND

**REQUEST UNDER 49 U.S.C. § 10502 TO EXEMPT THE PROPOSED
ABANDONMENT FROM THE OFFER OF FINANCIAL
ASSISTANCE PROGRAMS OF 49 U.S.C. § 10904
FOR REASONS OF OVERRIDING PUBLIC NEED**

UNION PACIFIC RAILROAD COMPANY

**Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, IL 60606
(312) 777-2055
(312) 777-2065 FAX
Email: mackshumate@up.com**

**Dated: March 3, 2011
Filed: March 3, 2011**

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Docket No. AB-33 (Sub-No. 296X)

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FOR REASONS OF OVERRIDING PUBLIC NEED**

I.

INTRODUCTION

Union Pacific Railroad Company ("UP") hereby petitions the Board, pursuant to 49 U.S.C. § 10502, to grant an exemption from 49 U.S.C. § 10903 in order to permit abandonment and discontinuance of service on two segments of the Riverside Industrial Lead in San Bernardino and Riverside Counties, California totaling 5.0 miles. The northern segment begins at Milepost 540.15 near Colton and ends at Milepost 543.88 near Riverside, a distance of 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in Riverside County (the "North Segment"). The southern segment begins at Milepost 544.56 and ends at Milepost 545.83, the end of the Line, a distance of 1.27 miles near Riverside, Riverside County, California (the "South Segment"), both segments being collectively referred to herein as (the "Line"). UP is not

seeking authority to abandon the portion of the Riverside Industrial Lead from Milepost 543.88 to Milepost 544.56, a distance of .68 miles (the "Remaining Segment"). The Remaining Segment will remain part of the UP railroad system and will continue to serve the shippers on the Remaining Segment with BNSF Railway ("BNSF") providing service via a Haulage Agreement (the "Haulage Agreement") and Trackage Rights Agreement (the "Trackage Rights") with the UP. The UP will remain the primary railroad obligated to serve the Remaining Segment and will retain access to the Remaining Segment under the aforesaid Trackage Rights. There are no shippers on the Line that will be adversely affected by the proposed abandonment. The reconfiguration of the operation on the Line and the Remaining Segment is in the nature of a track relocation.

UP seeks exemption of this proposed abandonment from regulation under 49 U.S.C. § 10903 in accordance with 49 U.S.C. 10502 and the Rules applicable thereto at 49 C.F.R. § 1121 and 49 C.F.R. § 1152 and the Special Rules at 49 C.F.R. § 1152.60.

In that the San Bernardino Associated Governments (the "SBAG") and the Riverside County Transportation Commission (the "RCTC") desire to avoid substantial expense, estimated at over \$10 million dollars, for bridge replacement on the North Segment of the Line for the Interstate 215 Project, UP is of the reasoned opinion that exemption under 49 U.S.C. 10502 from the Offer of Financial Assistance Provisions of 49 U.S.C. 10904 is warranted in that there is an overriding public need that will be served by authorizing the proposed abandonment in light of the proposed alternative rail service relocation.

II.

PETITIONER'S BACKGROUND AND REPRESENTATIVE

UP has rail operations in the States of Arizona, Arkansas, Iowa, Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, Oklahoma, Oregon, Tennessee, Texas, Utah, Washington, Wisconsin and Wyoming. The Line consists of two (2) segments, The North Segment begins at Milepost 540.15 near Colton to Milepost 543.88 near Riverside, for a distance of 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in Riverside County. The South Segment begins at Milepost 544.56 to the end of the Line at Milepost 545.83 at Riverside, for a distance of 1.27 miles in Riverside County. The North Segment and South Segment of the Line total to a distance of 5.00 miles of rail line owned and operated by Union Pacific in San Bernardino and Riverside Counties, California.

The name, address and telephone number of UP's representative is listed below:

Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, IL 60606
(312) 777-2055
(312) 777-2065 FAX
Email: mackshumate@up.com

III.

LINE DESCRIPTIONS, ZIP CODE INFORMATION AND MAP

The proposed action involves the abandonment and discontinuance of service on two segments of the Riverside Industrial Lead in San Bernardino and Riverside Counties, California totaling 5.0 miles. The North Segment begins at Milepost 540.15

near Colton and ends at Milepost 543.88 near Riverside, a distance of 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in Riverside County. The South Segment begins at Milepost 544.56 and ends at Milepost 545.83, the end of the Line, a distance of 1.27 miles near Riverside, Riverside County, California, both segments are collectively referred to herein as the Line. UP is not seeking authority to abandon the portion of the Riverside Industrial Lead from Milepost 543.88 to Milepost 544.56, a distance of .68 miles (the "Remaining Segment"). The Remaining Segment will remain part of the UP railroad system and will continue to serve the shippers on the Remaining Segment with BNSF Railway ("BNSF") providing service via a Haulage Agreement and Trackage Rights Agreement with the UP. The UP will remain the primary railroad obligated to serve the Remaining Segment and will retain access to the Remaining Segment under the aforesaid Trackage Rights. There are no shippers on the Line that will be adversely affected by the proposed abandonment. The reconfiguration of the operation on the Line and the Remaining Segment is in the nature of a track relocation.

The Line was originally constructed in 1889 by the Southern California Motor Road. It was acquired by the Southern Pacific Railroad Company in 1898 and converted to standard gauge. The Line is currently constructed with second-hand 133 pound welded rail installed in 2004.

Based on information in the UP's possession, the Line proposed for abandonment does not contain federally granted right-of-way. The Line traverses U.S. Postal Service Zip Codes: 92324, 92313, 92507 and 92506.

A map of the Line proposed for abandonment is attached hereto as **Attachment No. 1** and is hereby made a part hereof. Other rail lines in the area, principal highways and other roads are shown on the map. UP knows of no historic sites or structures or archeological resources in the project area.

The California Office of Historic Preservation has been provided with photographs of each of the structures on the Line that are 50 years old or older. Copies of the letters to the California Deputy State Historic Preservation Officer (the "California SHPO") and photographs are attached to Combined Environmental and Historic Report filed in this matter. While to-date, UP has not received a response. UP is diligently seeking such response and is offering whatever assistance it can to the California SHPO. While the map attached to the initial letter, (see **Attachment No. 2**), shows two (2) bridge structures that are 50 years old or older, it was subsequently determined that the bridge over Interstate 215 was constructed in 1959 and also qualifies for review by the California SHPO. Photographs, basic details and the location map for this structure were delivered to the California SHPO on December 2, 2010. See **Attachment No. 3**.

IV.

SHIPPER INFORMATION

The proposed abandonment will have no adverse effect on any customers. There will be no increase in rail traffic, rail yard activity or truck traffic as a result of the proposed action. There will be no effect on regional or local transportation systems and patterns and no diversion of traffic to other transportation systems or modes.

There are two shippers (the "Shippers") on the Remaining Segment whose traffic is now overhead traffic over the North Segment of the Line. Rail Service to these

shippers will be protected through a contractual arrangement, the Haulage Agreement, with BNSF providing haulage service for UP. UP will also grant BNSF the Trackage Rights over the Remaining Segment of the Riverside Industrial Lead which lies between the North Segment and South Segment so that BNSF may switch the shipper's facilities, see list below. BNSF will access the UP track via a new connector track to be constructed by the where it crosses the Remaining Segment at Marlborough Avenue in Riverside, CA. UP will retain access to the Remaining Segment under the aforesaid Trackage Rights. The current Shippers on the Remaining Segment are:

1. Sigma Stretch
Mr. Fred Stabile
1576 Omaha Court
Riverside, CA 92507
2. Lehigh Cement Company
7660 Imperial Way
Allentown, PA 18195
Attention: Dan McClland
Vice President Logistics and Terminals

UP has had various contacts with both Shippers and the haulage service under the Haulage Agreement to be provided by BNSF was described in detail. Both customers understand the proposed haulage procedures and rail service plan and understand that their facilities will remain rail served by BNSF. The verified statements of Amanda M. Pfeifer and Grant A. Janke are attached hereto as **Attachment No. 4** and **Attachment No. 5** respectively, and by this reference are hereby made a part hereof. The combined plastic and cement carload traffic to the Shipper facilities amount to approximately 2.25 railcars daily for both 2009 and 2010.

There has been no local rail traffic for at least two years on either the North Segment or South Segment of the Line. However, there is overhead traffic on the North

Segment, which will be sent over the proposed alternate railroad route that will connect with the Remaining Segment. Though at first glance both the North Segment and South Segment appear to qualify for abandonment authority under the Notice of Exemption provisions, the rationale for using a Petition for Exemption is that removal of the current overhead traffic from the North Segment of the Line cannot and will not occur until completion of the construction of a connector between a line of railroad owned by the RCTC and the UP track on the Remaining Segment at Riverside, CA. The connector will complete the alternate route for the overhead traffic which currently moves on the North Segment of the Line. UP does not anticipate any new users of rail service locating along the Line. The area has been changing from a concentration of industrial uses to mixed use including commercial and public educational purposes.

V.

REASONS FOR THE ABANDONMENT AND DISCONTINUANCE

The abandonment will have no adverse effect on any Shippers in that both the South Segment and North Segment of the Line will no longer be needed to serve the Shippers on the Riverside Industrial Lead. If the proposed abandonment is authorized, UP rail service will remain available at the north end of the Line at Colton, California and between the North Segment and South Segment of the Line on the Remaining Segment of the Riverside Industrial Lead at Riverside, CA. Riverside, CA is also served by BNSF and Amtrak intercity and regional authority commuter operations are available in the general area.

The area from Colton, CA south to and including Riverside, CA contains numerous local streets connecting to the following nearby major area highways,

Interstate 215, which crosses the Line, and the Riverside Freeway (State Route 91). The only rail traffic on the Line is overhead traffic on the North Segment of the Line. Removal of the overhead traffic from the North Segment will occur upon completion of the construction of the connector between a line of railroad owned by the RCTC and the UP track at Riverside, CA on the Remaining Segment of the Riverside Industrial Lead. This connector will complete the alternate route for the overhead traffic currently moving on the North Segment of the Line. UP does not anticipate any new users of rail service locating along either the North Segment or South Segment of the Line. The area has been changing from a concentration of industrial uses to mixed use including commercial and public educational purposes.

One of the major factors encouraging abandonment of the Line is that Interstate Highway 215 is being substantially expanded by the state governmental road authority. This expansion will cause the need to replace and lengthen the existing railroad bridge on the North Segment of the Line at substantial cost to the taxpayers. This cost is not justified based on the level of traffic on the Line and the available alternative to re-route the UP's overhead traffic from the North Segment to the aforementioned connector. By abandoning the Line, the Caltrans I-215 expansion project will save approximately \$11.2 million dollars. The cost to replace the bridge is \$12.4 million. If the Line is abandoned, the new bridge would not be needed and the cost to remove the existing bridge would only cost \$1.2 million dollars. That is an estimated savings of \$11.2 million dollars with rail service being preserved for the rail shippers served by the Line.

The UP is of the opinion that the proposed abandonment would be beneficial to the UP and the State of California and will have no adverse effect on interstate

commerce. The letters from the San Bernardino Associated Governments and Riverside County Transportation Commission attached hereto as **Attachment Nos. 6 and 7**, respectively, and hereby made a part hereof, clearly show the local governmental support for the proposed abandonment of the Line and the relocation of the railroad operations utilizing the connector offered by RCTC and the Haulage Agreement and Trackage Rights with the BNSF.

VI.

REASONABLE ALTERNATIVE VIABILITY

There appears to be no reasonable alternative to the abandonment. There will be no adverse effect on any Shippers. Given the alternative for the current rail activity on the Line and the low probability of any future rail business on the Line, abandonment is warranted. The surrounding areas along the Line are well developed with existing streets and portions of this right-of-way could be used to improve local transportation. Municipalities would benefit mostly at locations where the Line parallels, or is within public streets. Consideration for trail purposes is unlikely due to the commercial nature of uses along the Line and the fact that the corridor will be served by continued railroad operations. The Line is not suitable for conservation or energy production. The Line does not contain reversionary property.

Based upon information in UP's possession, the Line does not contain any federally granted right-of-way. Any documentation concerning the Line in UP's possession will be made available to those requesting it.

VII.

THE EXEMPTION STANDARDS HAVE BEEN MET

A. The Abandonment Requires an Exemption from 49 U.S.C. § 10903

Abandonment of rail lines requires authorization and approval of the Board pursuant to 49 U.S.C. § 10903. However, 49 U.S.C. § 10502 require the Board to exempt a transaction when it finds: (1) continued regulation is not necessary to carry out the Rail Transportation Policy of 49 U.S.C. § 10101; and (2) either the transaction is of limited scope or Board regulation is not necessary to protect shippers from an abuse of market power. UP's proposal for abandonment and discontinuance of operations clearly satisfies the standards for exemption under 49 U.S.C. § 10502.

Detailed scrutiny by the Board under 49 U.S.C. § 10903 is not necessary to carry out the Rail Transportation Policy of 49 U.S.C. § 10101. An exemption will minimize UP's administrative expense and the cost, preparation and review associated with progressing the proposed abandonment in a full application proceeding. An exemption will expedite regulatory action and will reduce regulatory barriers to exit from the Line consistent with Sections 10101(2) and (7). An exemption will foster sound economic conditions in the transportation industry consistent with Section 10101(5), by permitting UP's abandonment of the Line and avoiding the need to retain and operate a rail line that will not be used by any shipper.

The proposed abandonment is clearly a transaction of "limited scope." The Line is only 5.0 miles long and will have no recurring local traffic. In addition, regulation of this abandonment is not needed to protect shippers from an abuse of market power, in that there are no shippers on the Line, there is no known potential for rail activity on the

Line. The Shippers on the Remaining Segment of the Riverside Industrial Lead will have continuity of rail service through the connector with RTC and the Haulage Agreement and Trackage Rights arrangement with the BNSF. An exemption from 49 U.S.C. §§ 10904 and 10905 will have no adverse effect on shippers and will insure that a portion of the underlying right-of-way will be available for conveyance to the California State Road Authority for its Interstate 215 Project and that the Interstate 215 Project will avoid approximately \$11.2 million net dollars in expense by avoiding replacement of the bridge on the North Segment of the Line. In addition, at least eight grade crossings will be eliminated as a result of the overall abandonment. See **Attachment Nos. 6 and 7.**

The Board has authority under 49 U.S.C. § 10502 to exempt the proposed abandonment from the Offer of Financial Assistance ("OFA") provisions of 49 U.S.C. § 10904. UP and the local governmental entities that provided letters of support in this matter are of the opinion that the Board should exercise such authority in this case. An exemption is typically granted when the right-of-way is needed for a valid public purpose and there is no overriding public need for continued rail service on the Line for which abandonment authority is sought.¹

VIII.

LAND AREA, FEDERAL GRANT INFORMATION AND PUBLIC USE

¹ See Missouri Pacific Railroad Company – Abandonment and Discontinuance of Operations Exemption – In Houston, Harris County, TX, Docket No. AB-3 (Sub-No. 139X) et. al., (STB Decision served December 31, 1996. Proposed abandonment exempted from §§ 10904 and 10905); Southern Pacific Transportation Company – Discontinuance of Service Exemption – In Los Angeles County, CA, Docket No. AB-12 (Sub-No. 172X), et. al., (ICC served December 23, 1994); Missouri Pacific Railroad Company – Abandonment – In Harris County, TX, Docket No. AB-3 (Sub-No. 105X) (ICC served December 22, 1992); Chicago & North Western Transportation Company – Abandonment Exemption – In Blackhawk County, IA, Docket No. AB-1 (Sub-No. 226X) (ICC served July 14, 1989); and Iowa Northern Railway Company – Abandonment – In Blackhawk County, IA, Docket No. AB 284 (Sub-No. 1X) (ICC served April 1, 1988).

The Line is located in Riverside and San Bernardino Counties and traverses through the cities of Colton, Grand Terrace, Highgrove and Riverside. Most of the surrounding land along the right-of-way is developed and located in an urban environment. Adjacent land uses include residential, public school, vacant land and a small number of commercial buildings. Most uses include some type of light industrial occupation (outside storage to large warehouses). The width of the right-of-way varies from 15 feet to 150 feet with portions of the Line being within a public street. The terrain is generally level to gently sloping.

UP does not believe the property proposed for abandonment is generally suitable for other public purposes, including roads or highways, other forms of mass transportation, conservation, energy production or transmission, as the area is adequately served by existing roads and utility lines.

The Line contains only non-reversionary property. Based on information in UP's possession, the Line does not contain federally granted right-of-way. Any documentation in UP's possession will be made available to those requesting it.

IX.

LABOR

UP is agreeable to the labor protection conditions imposed in abandonment proceedings as prescribed in Oregon Short Line R. Co. – Abandonment – Goshen, 360 ICC 91 (1979).

X.

ENVIRONMENTAL AND HISTORIC REPORT

The required environmental and historic information is contained in the Combined Environmental and Historic Report (the "CEHR") which was served on December 14, 2010. A copy of the CEHR service list is attached hereto as **Attachment No. 8**. The original of the CEHR was e-filed with the Honorable Cynthia T. Brown, Chief, Section of Administration, on December 14, 2010 for filing. The bridge located at Milepost 540.15 on the northern end of the North Segment was constructed in 1980 and does not qualify as a potentially historic structure. It was placed on **Attachment No. 1** because of its proximity to the adjacent waterway.

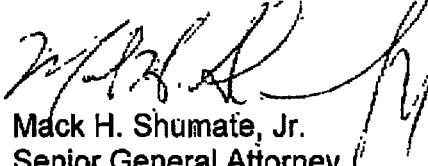
Subsequent to the filing of the combined CEHR only one additional letter has been received by UP from any federal, state or local government agency concerning any conditions to be imposed on the abandonment. Attached hereto as **Attachment No. 9** is a letter from the U.S. Army Corps of Engineers, dated December 8, 2010 which provides that permits under Section 404 of the Clean Water Act of 1972 will be needed if specified activities take place within the waters of the United States. Permits, if any are needed, will be obtained by UP's salvage contractor as part of the salvage process:

WHEREFORE, Union Pacific Railroad Company respectfully requests that the Board issue a decision exempting the proposed abandonment from the provisions of 49 U.S.C. § 10903 and direct that the exemption be effective on the date of the Board's decision.

Dated this 3rd day of March, 2011.

Respectfully submitted,

UNION PACIFIC RAILROAD COMPANY



Mack H. Shumate, Jr.
Senior General Attorney
101 North Wacker Drive, Room 1920
Chicago, IL 60606
(312) 777-2055
(312) 777-2065 FAX
Email: mackshumate@up.com

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VERIFICATION

STATE OF NEBRASKA)

COUNTY OF DOUGLAS)


) ss:

I, RAYMOND E. ALLAMONG, JR., Senior Manager Rail Line Planning of Union Pacific Railroad Company, declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing document and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Union Pacific Railroad Company.

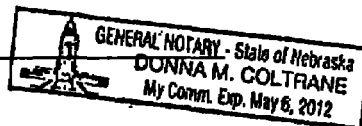
Dated at Omaha, Nebraska, this 28th day of July, 2010.


Raymond E. Allamong, Jr.

SUBSCRIBED AND SWORN TO
before me this 28th day of
July, 2010.


Notary Public

My Commission expires:



DRAFT FEDERAL REGISTER NOTICE
[49 C.F.R. § 1152.60(c)]

STB No. AB-33 (Sub-No. 296X)
Notice of Petition for Exemption to Abandon or
To Discontinue Service

On March 2, 2011, Union Pacific Railroad Company filed with the Surface Transportation Board, Washington, D.C. 20423, a petition for exemption for the abandonment and discontinuance of service on two segments of a line of railroad known as the Riverside Industrial Lead, located in Riverside and San Bernardino Counties, California, totaling 5.0 miles. The first segment begins at Milepost 540.15 near Colton and ends at Milepost 543.88 near Riverside, for a distance of 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in Riverside County. The second segment begins at Milepost 544.56 and ends at Milepost 545.83, the end of the line, for a distance of 1.27 miles near Riverside, Riverside County, California (collectively, the "Line"). The Line traverses U.S. Postal Service Zip Codes 92324, 92313, 92507 and 92506. The proceeding has been docketed as No. AB-33 (Sub-No. 296X). There are no agency stations on the Line.

The Line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected as required by 49 U.S.C. 10903(b)(2).

Any offer of financial assistance will be due no later than 10 days after service of a decision granting the petition for exemption.

All interested persons should be aware that following abandonment of rail service and salvage of the Line, the Line may be suitable for other public use, including interim trail use.

Any request for a public use condition and any request for trail use/rail banking will be due no later than 20 days after notice of the filing of the petition for exemption is published in the Federal Register.

Persons seeking further information concerning abandonment procedures may contact the Surface Transportation Board or refer to the full abandonment or discontinuance regulations at 49 CFR Part 1152. Questions concerning environment issues may be directed to the Board's Section of Environmental Analysis.

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary), prepared by the Section of Environmental Analysis will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Any other persons who would like to obtain a copy of the EA (or EIS) may contact the Section of Environmental Analysis. EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition. The deadline for submission of comments on the EA will generally be within 30 days of its service.

CERTIFICATE OF SERVICE AND PUBLICATION

The undersigned hereby certifies that a copy of the foregoing Petition for Exemption in Docket No. AB-33 (Sub-No. 296X) by Union Pacific Railroad Company was served on the date indicated below by mailing a copy, first class mail postage prepaid to the following:

MTMCTEA

Attn: Railroads for National Defense
720 Thimble Shoals Blvd., Suite #130
Newport News, VA 23606-2574

U.S. Department of the Interior
National Park Service
Recreation Resources Assistance Divn.
P.O. Box 37127
Washington, DC 20013-7127

U.S. Department of Agriculture
Chief of the Forest Service
4th Floor N.W., Auditors Building
14th Street & Independence Ave., S.W.
Washington, DC 20250

Executive Director
Public Utilities Commission of
the State of California
Attn: Tack Joe – Rail Safety
505 Van Ness
San Francisco, CA 94102

Rail Program Manager
Planning Division
California Transportation Department
1120 N. Street
Sacramento, CA 95814

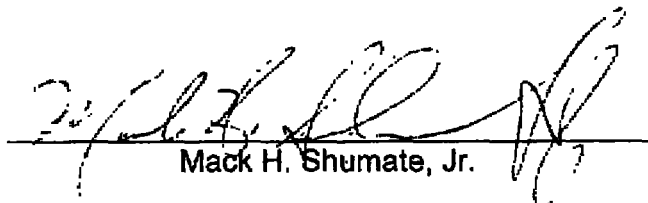
Transportation Planner
Department of Transportation
1120 N. Street
Sacramento, CA 95814

The undersigned further certifies that a Notice of Abandonment and Discontinuance of Service was published one time in the county where the Line is located as follows:

<u>County</u>	<u>Newspaper</u>	<u>Date</u>
San Bernardino	Precinct Reporter	February 17, 2011
Riverside	The Desert Sun	February 17, 2011

The above newspaper is generally circulated in the county where the rail line is located. The Notice as published was in the form prescribed by the Board for a Petition for Exemption at 49 C.F.R. 1105.12.

Dated this 3rd day of March, 2011.


Mack H. Shumate, Jr.

Notice of Petition for Abandonment Exemption

STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

Affidavit of Publication

The undersigned hereby certifies as follows:

I am a citizen of the United States, over the age of twenty-one years, and not a party to nor interested in the above entitled matter. I am the principal clerk of the printer of a newspaper, the **PRECINCT REPORTER**, at all times herein mentioned a newspaper of general circulation printed and published weekly, each Thursday, in the City of San Bernardino, County of San Bernardino, State of California, and has been adjudged a newspaper of general circulation by the Superior Court of the State of California, in and for the County of San Bernardino, by a judgment of said Superior Court made, filed and entered on July 24, 1974, in the records and files of said Superior Court in a proceeding numbered 162020. The

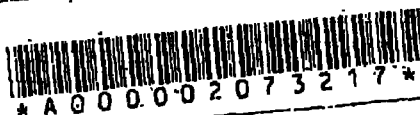
Notice of Petition for Abandonment Exemption
Union Pacific Railroad Company, petitioner

of which the attached is a true copy was published in each edition and issue of said newspaper on each of the following dates:

2/17/11

I certify under penalty of perjury that the foregoing is true and correct. Executed on February 17, 2011 at San Bernardino, in said County and State:

Mary R. Townsend
Mary R. Townsend



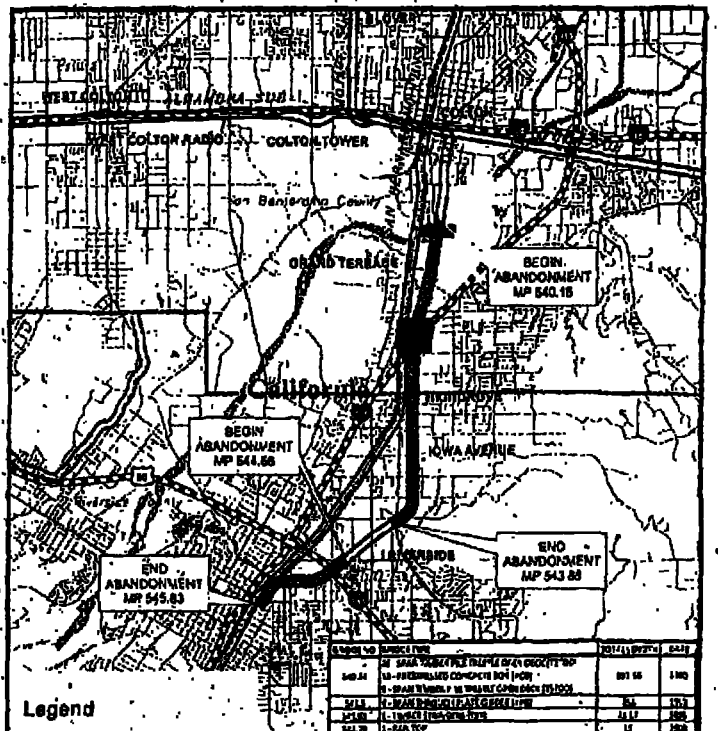
NOTICE OF PETITION FOR ABANDONMENT EXEMPTION

UNION PACIFIC RAILROAD COMPANY ("UP") gives notice that on or about February 17, 2011 it intends to file with the Surface Transportation Board, Washington, D.C. 20423, a Petition for Exemption under 49 U.S.C. 10502 from the prior approval requirements of 49 U.S.C. 10503; et seq., permitting the abandonment and discontinuance of service on two segments of a line of railroad known as the Riverside Industrial Lead, located in Riverside and San Bernardino Counties, California, totaling 6.0 miles. The first segment begins at Milepost 540.16 near Colton and ends at Milepost 543.66 near Riverside, for a distance of 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in Riverside County. The second segment begins at Milepost 544.66 and ends at Milepost 545.83, the end of the line, for a distance of 1.27 miles near Riverside, Riverside County, California. The line traverses U. S. Postal Service Zip Codes 92324, 92313, 92507 and 92506. The proceeding has been docketed as No. AB-33 (Sub-No. 298X).

The Board's Section of Environmental Analysis ("SEA") will generally prepare an Environmental Assessment ("EA"), which will normally be available 60 days after the filing of the Petition for Abandonment Exemption. Comments on environmental and energy matters should be filed no later than 30 days after the EA becomes available to the public and will be addressed in a Board decision. Interested persons may obtain a copy of the EA or make inquiries regarding environmental matters by writing to the Section of Environmental Analysis ("SEA"), Surface Transportation Board, Washington, DC 20423 or by calling that office at (202) 245-0295.

Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 395 E Street, SW, Washington, DC 20423 (See 49 CFR 1104.1(a) and 1104.3(a)), and one copy must be served on the applicant's representative. (See 49 CFR 1104.12(a)). Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Congressional and Public Services at (866) 264-1792. Copies of any comments or requests for conditions should be served on UP's: Mack Shumate, Jr., Senior General Attorney, 101 North Wacker Drive, #1920, Chicago, Illinois 60606 (312) 777-2055.

UNION PACIFIC RAILROAD COMPANY



RIVERSIDE INDUSTRIAL LEAD
UNION PACIFIC RAILROAD CO.
RIVERSIDE INDUSTRIAL LEAD
CALIFORNIA

CNS/2032427

The Desert Sun
750 N Gene Autry Trail
Palm Springs, CA 92262
760-778-4578 / Fax 760-778-4731

Certificate of Publication

State of California ss:
County of Riverside

Advertiser:

CA. NEWSPAPER SVC BUREAU/CLASS
PO BOX 54026
LOS ANGELES CA 900540

2000248509

I am over the age of 18 years old, a citizen of the United States and not a party to, or have interest in this matter. I hereby certify that the attached advertisement appeared in said newspaper (set in type not smaller than non parol) in each and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

Newspaper: The Desert Sun

2/17/2011

I acknowledge that I am a principal clerk of the printer of The Desert Sun, printed and published weekly in the City of Palm Springs, County of Riverside, State of California. The Desert Sun was adjudicated a newspaper of general circulation on March 24, 1988 by the Superior Court of the County of Riverside, State of California Case No. 191236.

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 17th day of February, 2011 in Palm Springs, California.

Declarant



* A 0 0 0 0 0 2 0 7 3 2 5 7 *

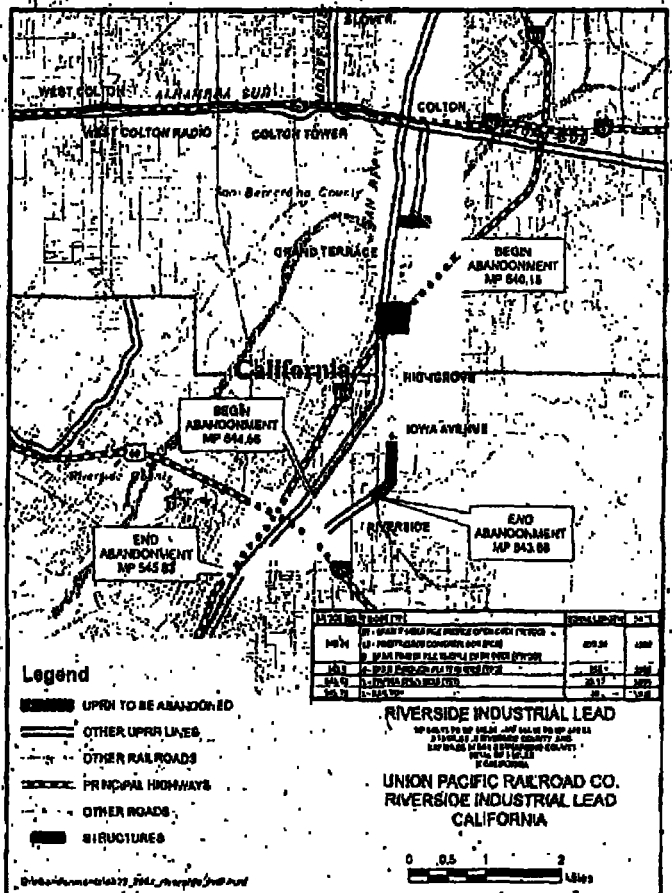
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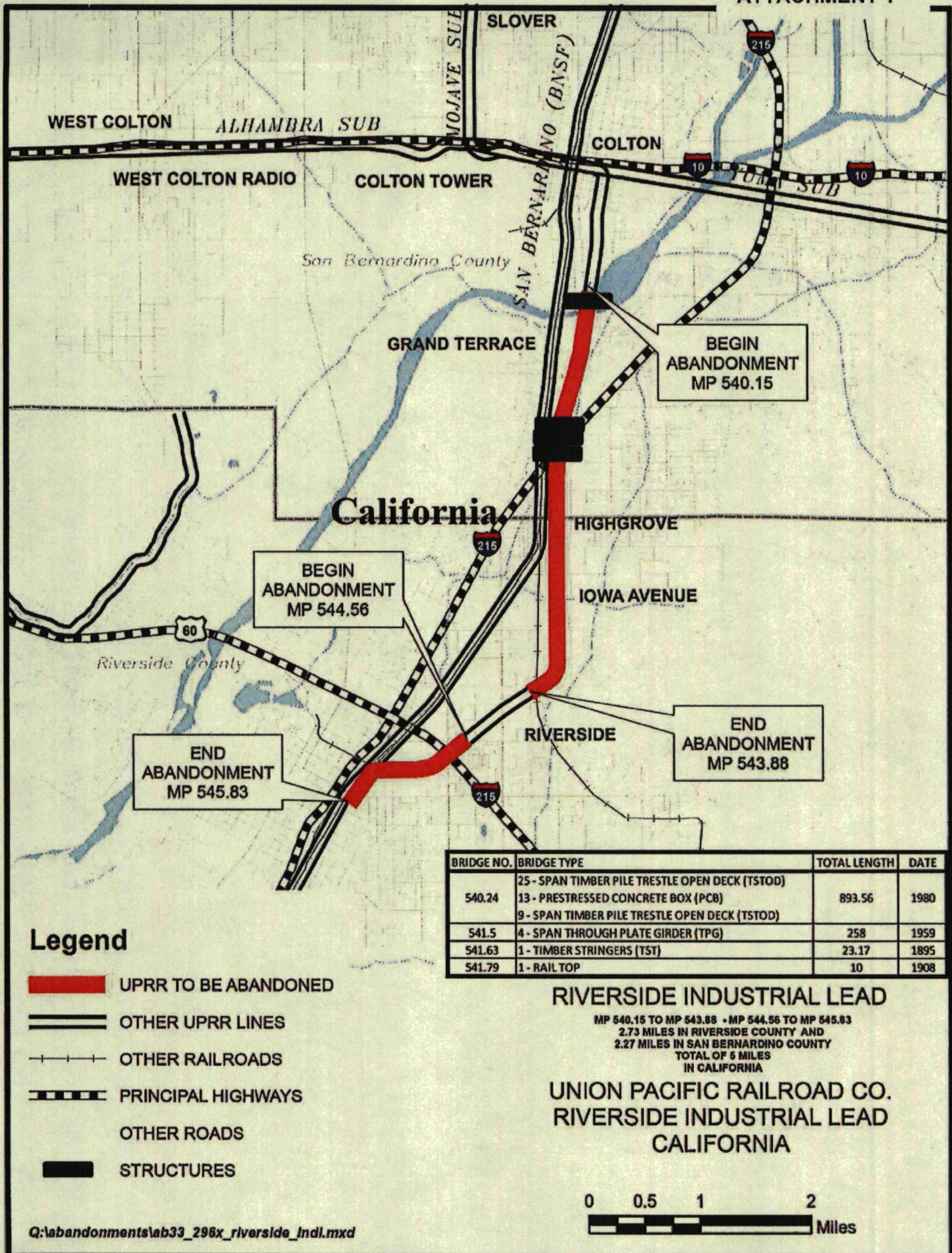
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Appropriate offers of financial assistance to continue rail service can be filed with the Board. Requests for environmental conditions, public use conditions, or rail banking/trails use also can be filed with the Board. An original and 10 copies of any pleading that raises matters other than environmental issues (such as trails use, public use, and offers of financial assistance) must be filed directly with the Board's Office of the Secretary, 385 E Street, SW, Washington, DC 20423 [See 49 CFR 1104.1(a) and 1104.3(a)], and one copy must be served on the applicant's representative. [See 49 CFR 1104.12(a)]. Questions regarding offers of financial assistance, public use or trails use may be directed to the Board's Office of Congressional and Public Services at (888) 254-1792. Copies of any comments or requests for conditions should be served on UP's Mack Shumate, Jr., Senior General Attorney, 101 North Wacker Drive, #1920, Chicago, Illinois 60606 (312) 777-2055.

UNION PACIFIC RAILROAD COMPANY



CP 52032426



October 18, 2010

State Clearinghouse (or alternate):

Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

State Environmental Protection Agency:

California Environmental Protection Agency
1001 I Street
Sacramento, CA 95814

State Coastal Zone Management Agency

(If applicable):

California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Head of each County:

Riverside County Administration Center
4080 Lemon Street
Riverside, CA 92501

Laura Welch, Clerk of the Board of Supervisors
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, CA 92415-0130

Environmental Protection Agency

(Regional Office):

U.S. Environmental Protection Agency
Region 9
75 Hawthorne Street
San Francisco, CA 94105

U.S. Fish and Wildlife:

U.S. Fish & Wildlife Service, Region 8
2800 Cottage Way W-2606
Sacramento, CA 95825

U.S. Army Corps of Engineers:

U. S. Army Corps of Engineers,
Sacramento District
1325 J Street
Sacramento, CA 95814

National Park Service:

National Park Service
Pacific West Region
One Jackson Center
1111 Jackson Street, Suite 700
Oakland, CA 94607

U.S. Natural Resources Conservation Service:

State Conservationist
Natural Resource Conservation Service
4625 W Jennifer Ave., Ste. 109
Fresno, CA 93722

National Geodetic Survey:

National Geodetic Survey
Geodetic Services Division
Information Services
NOAAINGS12
1315 E-W Highway
Silver Spring, MD 20910-3282

State Historic Preservation Office:

Office of Historic Preservation
1416 9th Street, Room 1442
P. O. Box 942896
Sacramento, CA 94296-0001

Re: STB Docket No. AB-33 (Sub-No. 296X). Proposed Abandonment of two segments of the Riverside Industrial Lead in California totaling 5.0 miles. The first segment begins at Milepost 540.15 near Colton and ends at Milepost 543.88 near Riverside, 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in Riverside County. The second segment begins at Milepost 544.56 and ends at Milepost 545.83, the end of the line, 1.27 miles near Riverside, Riverside County, California.

To Whom It May Concern:

Union Pacific Railroad Company plans to request authority from the Surface Transportation Board (STB) to abandon and discontinue service of two segments of the Riverside Industrial Lead in California totaling 5.0 miles. The first segment begins at Milepost 540.15 near Colton and ends at Milepost 543.88 near Riverside, 3.73 miles, of which 2.27 miles are in San Bernardino County and 1.46 miles are in



Riverside County. The second segment begins at Milepost 544.56 and ends at Milepost 545.83, the end of the line, 1.27 miles near Riverside, Riverside County. A map of the proposed track abandonment shown in black is attached.

Pursuant to the STB's regulations at 49 C.F.R. Part 1152, and the environmental regulations at 40 C.F. R. Part 1105.7, this is to request your assistance in identifying any potential effects of this action as indicated in the paragraphs below. We do not anticipate any adverse environmental impacts. However, if you identify any adverse environmental impacts, describe any actions that are proposed in order to mitigate the environmental impacts. Please provide us with a written response that can be included in an Environmental Report, which will be sent to the STB.

LOCAL AND/OR REGIONAL PLANNING AGENCIES. State whether the proposed action is consistent with existing land use plans. Describe any inconsistencies.

U. S. SOIL CONSERVATION SERVICE. State the effect of the proposed action on any prime agricultural land.

U. S. FISH AND WILDLIFE SERVICE (And State Game And Parks Commission, If Addressed). State (1) whether the proposed action is likely to adversely affect endangered or threatened species or areas designated as a critical habitat, and if so, describe the effects, and, (2) whether wildlife sanctuaries or refuges, National or State parks or forests will be affected, and describe any effects.

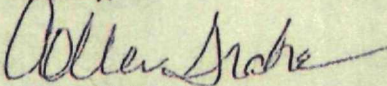
STATE WATER QUALITY OFFICIALS. State whether the proposed action is consistent with applicable Federal, State or Local water quality standards. Describe any inconsistencies.

U. S. ARMY CORPS OF ENGINEERS. State (1) whether permits under Section 404 of the Clean Water Act (33 U.S. C. § 1344) are required for the proposed action and (2) whether any designated wetlands or 100-year flood plains will be affected. Describe the effects.

U. S. ENVIRONMENTAL PROTECTION AGENCY AND STATE ENVIRONMENTAL PROTECTION (OR EQUIVALENT AGENCY). (1) Identify any potential effects on the surrounding area, (2) identify the location of hazardous waste sites and known hazardous material spills on the right-of-way and list the types of hazardous materials involved, and (3) state whether permits under Section 402 of the Clean Water Act (33 U.S.C. § 1342) are required for the proposed action.

Thank you for your assistance. Please send your reply to the undersigned.

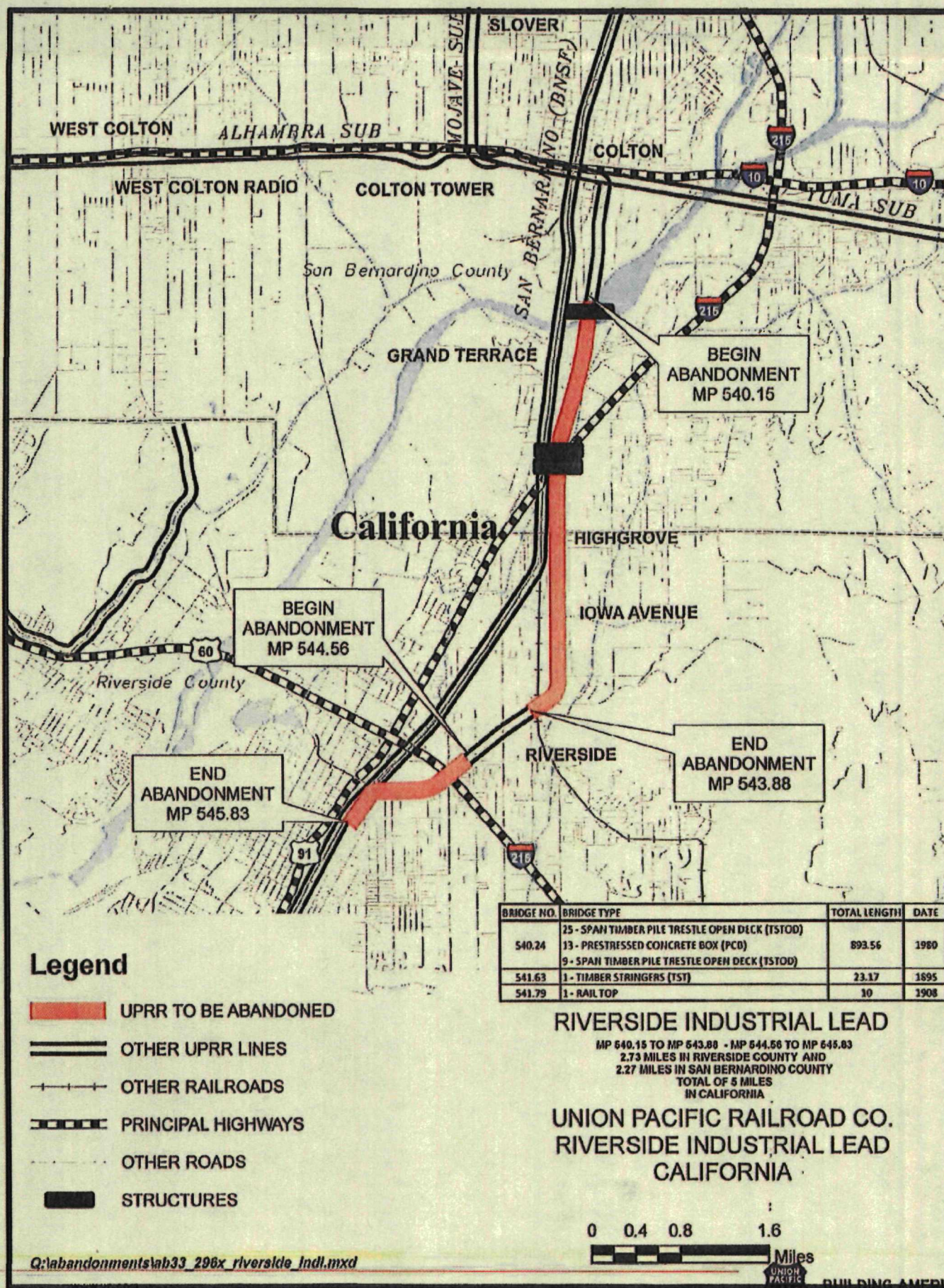
Sincerely,



Colleen K. Graham
Paralegal
Union Pacific Railroad
Law Department
1400 Douglas St., Stop 1580
Omaha, NE 68179
(w) 402-544-1643
cgraham@up.com

CKG/
Enclosure(s)





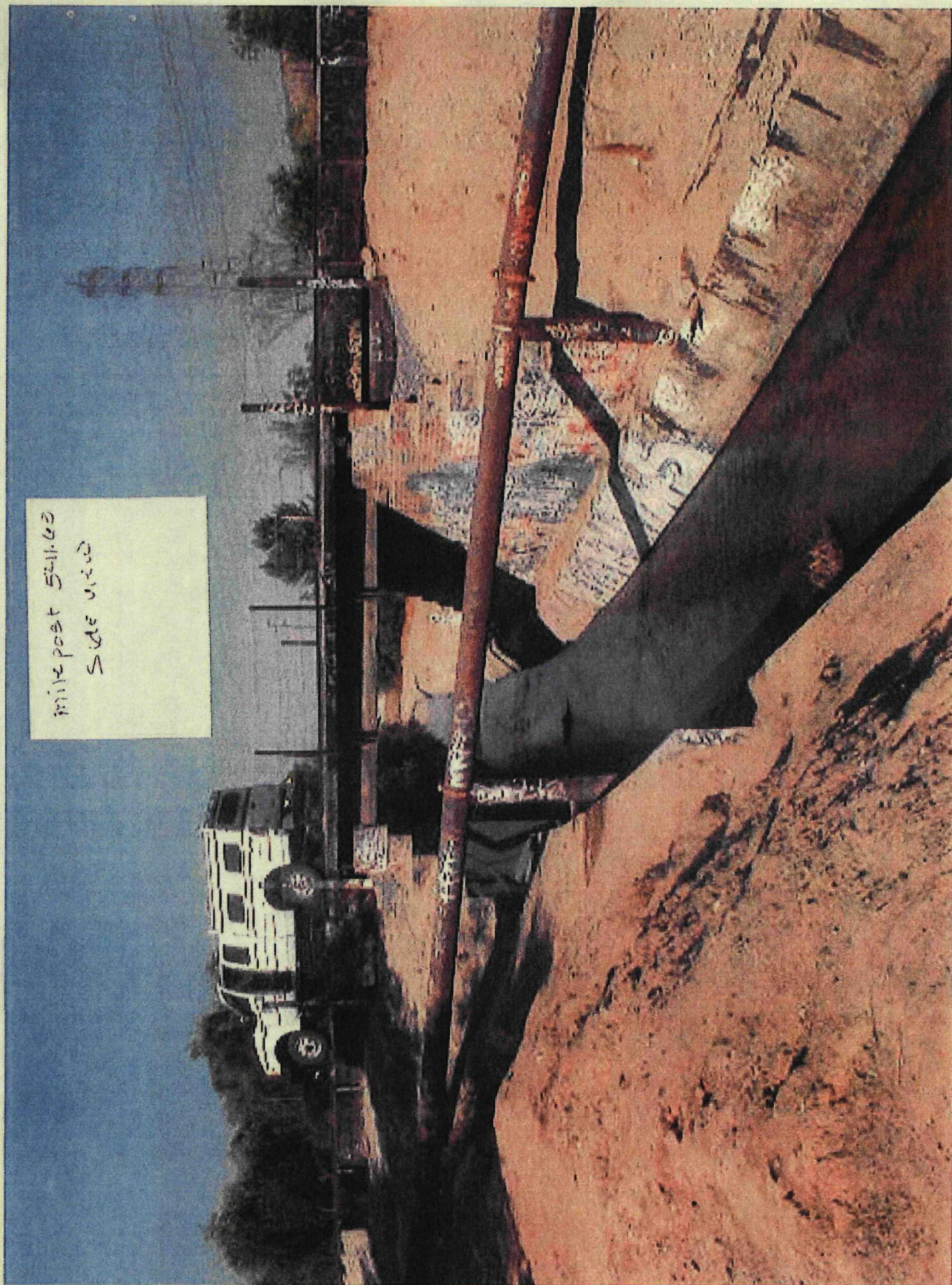
milepost

541.63

Top



mile post 511.63
side view



Milepost 541.79
Top



Wild post 5-11-79
Sidi





Law Department

Office of Historic Preservation
1416 9th Street, Room 1442
P. O. Box 942896
Sacramento, CA 94296-0001

December 2, 2010

Dear Sir/Madam:

Here are photographs for a bridge on Union Pacific's proposed Riverside Industrial Lead abandonment, AB-33 (Sub-No. 296X), that was omitted from our October 18 letter. The structure is a 258 foot through plate girder built in 1959. It is important to note, however, that even if the abandonment were not progressed, the structure would be replaced in 2012 to accommodate the expansion of Interstate 215.

Due to the benefits of avoiding a new bridge structure, the proposed abandonment is supported by the San Bernardino Associated Governments (SANBAG) and further information could be obtained from Garry Cohoe, SANBAG's Director of Project Delivery, at 909-884-8276.

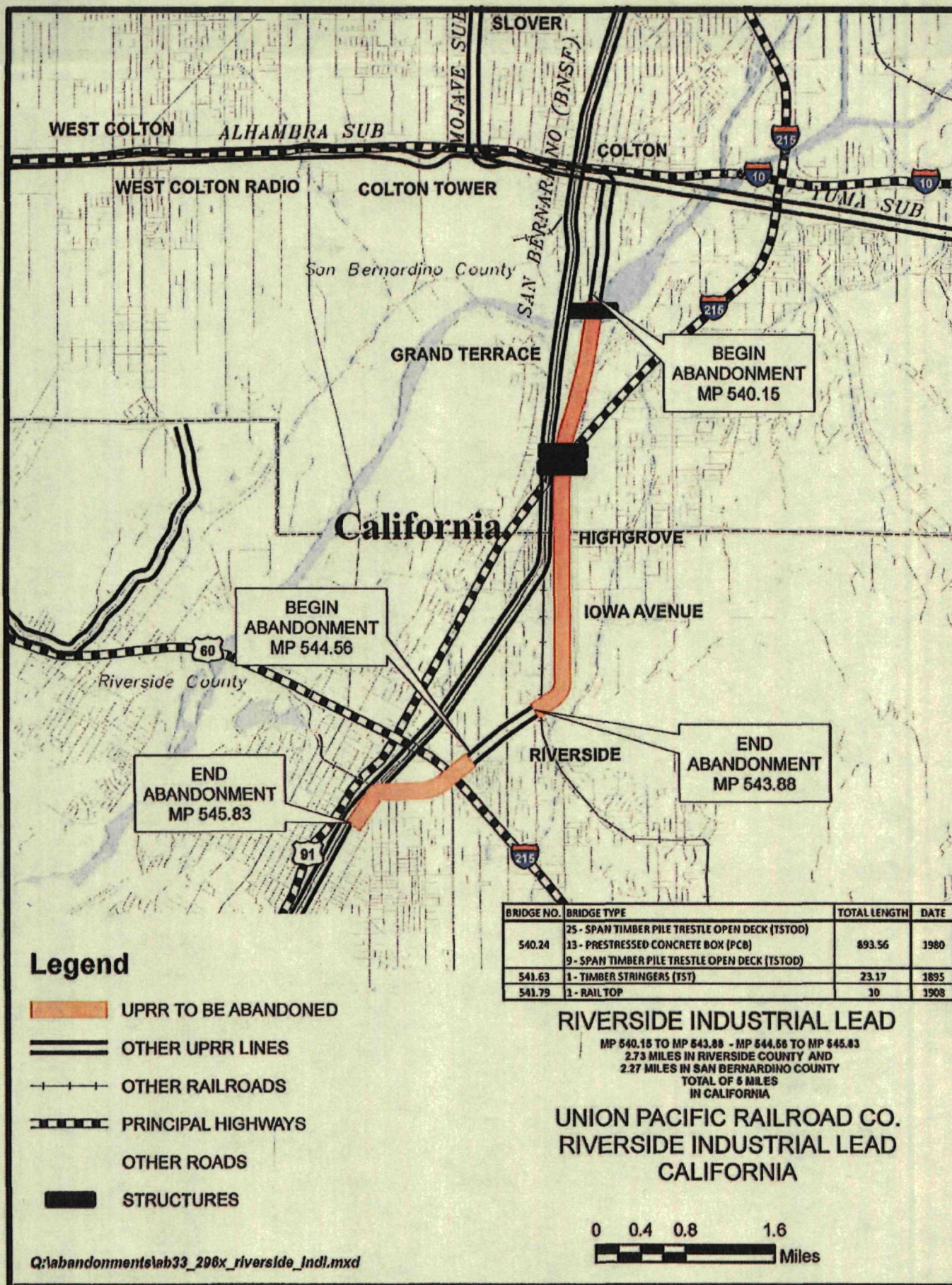
For your convenience, I have attached a copy of our original letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Colleen Graham".

Colleen K. Graham
Paralegal
Union Pacific Railroad
Law Department
1400 Douglas St., Stop 1580
Omaha, NE 68179
(w) 402-544-1643
cgraham@up.com

CKG/mk
Enclosure(s)



Top
511.5



Side
541.5



Tracer email sent to Amanda Blosser, CA SHPO
ablosser@parks.ca.gov
Dated 1/20/2011

Ms. Blosser,

I am writing to follow up on our original letter that was sent to you on October 18, 2010. The Union Pacific Railroad Company is asking for SHPO comment on the abandonment plans for the Riverside Industrial Lead in Riverside and San Bernardino Counties, California. We look forward to a response from the California SHPO as soon as possible. For your convenience, I have attached our original letter and map, plus an additional letter dated December 2, 2010 that includes additional bridge pictures.

Thank you for your kind attention to this matter.



First Letter executed - 296X.pdf Updated ltr to SHPO 296X.pdf

Melanie Kewin
Paralegal Intern
Union Pacific RR Law Department
402 - 544-2404

VERIFIED STATEMENT OF AMANDA PFEIFER

I. Introduction and Background

My name is Amanda Pfeifer. I am employed by Union Pacific Railroad Company ("UP") as a Senior Business Manager of Sales in the Marketing and Sales Department. My office address is 818 Hastings Street, Pittsburgh, PA 15217. I have been employed by UP since May 2004 and have been in my current position for approximately ten months. My primary duties include sales responsibility for customers located and/or headquartered in Pennsylvania and Ohio.

It is my understanding that UP is filing a Petition for Exemption with the Surface Transportation Board ("STB") to abandon two segments of the Riverside Industrial Lead between Colton, CA and Riverside, CA. This verified statement will explain the steps taken to inform Lehigh Cement of this Petition for Exemption and how their facility will continue to be served via rail going forward.

II. Lehigh Cement

Lehigh Cement receives white cement from Mexico and their other domestic terminals in order to further process and manufacture bagged white cement products at their terminal in Riverside, CA. This facility while not on the segments of the Line being abandoned is located at Milepost 544.23 on the Riverside Industrial Lead. UP has communicated the plan for the proposed railroad service continuity arrangement with BNSF Railway ("BNSF") to Lehigh Cement. UP initially communicated said plan to Lehigh Cement during a face-to-face meeting at Lehigh Cement's headquarters in Allentown, PA on August 19, 2010. Additional details were presented and reviewed during a follow-up meeting on September 23, 2010.

At Lehigh Cement's request, additional details concerning the proposed railroad service continuity arrangement with BNSF were distributed to Lehigh Cement via email on October 4, 2010. The final details regarding the proposed railroad service continuity arrangement was sent to Lehigh via email correspondence on January 7, 2011.

During the various discussions, UP explained to Lehigh Cement that BNSF would be granted trackage rights over the portion of the Riverside Industrial Lead that is not being abandoned in order to serve and switch customers that were currently using the Line. UP also proposed changes to railcar routing and scheduling in the Los Angeles basin, to Lehigh Cement's traffic management for inbound rail served traffic, which will provide continuity of service for the spotting of railcars at Lehigh Cement's facility on the portion of the Riverside Industrial Lead for which abandonment authority is not being sought. It is anticipated that the service BNSF will provide to the shippers on the Riverside Industrial Lead will be substantially equivalent to the existing rail service provided by UP.

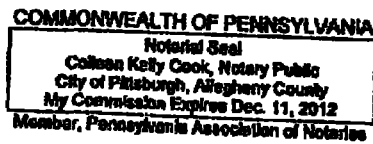
STATE OF NEBRASKA)
) SS:
COUNTY OF DOUGLAS)

Amanda Pfeifer, being first duly sworn, deposes and states that she has read the above document, knows the facts asserted therein, and that the same are true as stated.

Amanda M. Pfeifer 3/1/2011
Amanda Pfeifer

SUBSCRIBED AND SWORN to
before me 1 day of MARCH, 2011.

Colleen Kelly Cook
NOTARY PUBLIC



VERIFIED STATEMENT OF GRANT JANKE

I. Introduction and Background

My name is Grant Janke. I am employed by Union Pacific Railroad Company ("UP") as a General Director in the Network Planning and Operations Department. My Office address is 1400 Douglas Street, STOP 1120, Omaha, NE 68179. I have been employed by UP since May 1994 and have been in my current position for four years. My primary duties include representing UP's interests in discussions with public agencies with regards to public-private partnership opportunities and projects.

It is my understanding that UP is filing a Petition for Exemption with the Surface Transportation Board ("STB") to abandon two segments of the Riverside Industrial Lead in Colton, CA and Riverside, CA (the "Line") while retaining the portion of the Riverside Industrial Lead in between so as to maintain continuity of rail service for the shippers on the Line. This verified statement will explain the steps taken to inform Sigma Stretch of the Petition for Exemption and how their facility will continue to be served by rail going forward. Based on my discussions and the attached communication from Sigma Stretch, Sigma Stretch does not object to the proposed railroad service continuity arrangement with BNSF as outlined below.

II. Sigma Stretch

Sigma Stretch currently receives plastic resins at its facility on the Riverside Industrial Lead in Riverside, CA in order to manufacture plastic products at the facility. This facility while not on the segments of the Line being abandoned is located at approximately Milepost 544.00 on the Riverside Industrial Lead. UP communicated the proposed railroad service continuity arrangement plan to Sigma Stretch in November

2010 and January 2011. UP explained to Sigma Stretch that BNSF Railway ("BNSF") would be granted trackage rights over the remaining segment of the Riverside Industrial Lead that was not being abandoned by UP in order to serve and switch the customer in a manner consistent with and at least equivalent to existing rail service. UP also proposed changes to railcar routing and scheduling in the Los Angeles basin, to Sigma Stretch's traffic management for Sigma Stretch's inbound rail served traffic which will provide for continuity of service for the spotting of railcars at Sigma Stretch's facility on the portion of the Riverside Industrial Lead for which abandonment authority is not being sought. It is anticipated that the service BNSF will provide to Sigma Stretch will be at least equivalent to the existing rail service provided by UP.

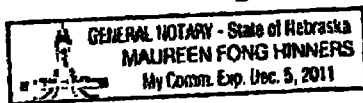
STATE OF NEBRASKA)
) SS:
COUNTY OF DOUGLAS)

Grant Janke, being first duly sworn, deposes and states that he has read the above document, knows the facts asserted therein, and that the same are true as stated.


Grant Janke

SUBSCRIBED AND SWORN to
before me 28th day of February, 2011.


NOTARY PUBLIC



2011_02_28 Verified Statement of Grant Janke.doc

Grant A. Janke/UPC
03/01/2011 11:33 AM

To "Mack Shumate" <MACKSHUMATE@UP.COM>, "Sandra Flores" <SIFLORES@up.com>, "Ray Allamong" <REALLAMO@up.com>, "Jerry Wilmoth" <JERRYWILMOTH@up.com>
cc "Jacqueline Bendon" <JMBENDON@UP.COM>, "Chris Vanacore" <CLVANACO@up.com>
bcc

Subject Fw: UP Riverside Abandonment - Sigma Stretch statement

Mack,

Here is the statement you requested from Sigma Stretch.

Grant
Chris L. Vanacore

----- Original Message -----

From: Chris L. Vanacore
Sent: 03/01/2011 11:29 AM CST
To: Grant Janke; Jacqueline Bendon
Subject: Fw: UP Riverside Abandonment

Chris L. Vanacore

Marketing & Sales | Account Representative | Chemicals & Plastics
Union Pacific Railroad | 1400 Douglas St. STOP 1320 | Omaha, NE 68179
National Customer Service Center: 800.272.8777

✉: clvanaco@up.com | ☎: 402.544.5929 | 📠: 402.271.4374
[Submit a Rate Request](#) • [Register for MyUPRR](#) • [Report a Service Issue](#)

♻️ Please consider the environment before printing this e-mail.

----- Forwarded by Chris L. Vanacore/UPC on 03/01/2011 11:29 AM -----



Fred Stabile
<Fred.Stabile@sigmaplastics.com>

03/01/2011 11:23 AM

To "clvanaco@up.com" <clvanaco@up.com>
cc

Subject UP Riverside Abandonment

Hi Chris,

Based on our conversations, your teams confidence in this Abandonment and no foreseen services issues.(Primarily delays in receiving our materials)

Sigma Stretch will not object to the abandonment petition being filed by Union Pacific Railroad for the Riverside Industrial Lead in Riverside, CA.

Regards,

Fred Stabile
Plant Manager
Sigma Stretch Film of CA,
Phone 951-781-8807
Fax 951-781-8874





San Bernardino Associated Governments

1170 W. 3rd Street, 2nd Floor San Bernardino, CA 92410-1715

Phone: (909) 884-8276

Fax: (909) 885-4407

Web: www.sanbag.ca.gov



-
- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 ■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

October 1, 2010

The Honorable Cynthia T. Brown
 Chief, Section of Administration
 Surface Transportation Board
 395 E Street, S.W.
 Washington, D.C. 20423-0001

**RE: AB-33 (Sub-No. 266X), Union Pacific Railroad Company, Abandonment of
 Riverside Industrial Lead in San Bernardino and Riverside Counties, California**

San Bernardino County Associated Governments (SANBAG) fully supports Union Pacific Railroad Company's petition for exemption to abandon two segments of its Riverside Industrial Lead in San Bernardino and Riverside counties in Southern California. Of particular interest to SANBAG is the proposed 4.41 mile northern segment abandonment, which extends from mileposts 540.15 near the north end of Union Pacific's Santa Anna River bridge to milepost 544.56, the location of a new connection to the Union Pacific line from Metrolink's San Jacinto Branch in the vicinity of Marlborough Avenue. This abandonment will result in significant benefits for SANBAG and it is our understanding that by the action plan developed by the railroads the abandonment will have no adverse effect on shippers.

Union Pacific Railway has informed us that there are no active shippers on the line between the Santa Anna River bridge and Marlborough Avenue; five active shippers remain on the line south of Marlborough Avenue, including Alpha Industries, CEMEX, Lehigh Cement, Omega Plastics, and Sigma Stretch; and Union Pacific, Burlington Northern Railway, and Riverside County Transportation Commission have agreed in principle to implement the following action items in order to ensure continuing service to the shippers south of Marlborough Avenue:

- Riverside County Transportation Commission ("RCTC") has agreed to construct a new connection in the southwest quadrant of the intersection between Union Pacific's Riverside Industrial Lead and Metrolink's San Jacinto branch in the vicinity of Marlborough Avenue.
- Union Pacific and Burlington Northern have agreed in principle to enter into a joint facilities agreement outlining the terms by which Burlington Northern will switch shippers on Union Pacific's Riverside Industrial Lead south of Marlborough Avenue on behalf of Union Pacific.

Hon. Cynthia T. Brown
October 1, 2010
Page 2

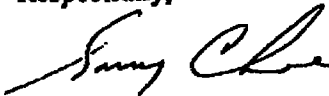
- Union Pacific has agreed in principle to provide Burlington Northern trackage rights from the new connection, outlined in the first bullet above, to the shippers located along Union Pacific's Riverside Industrial Lead south of Marlborough Avenue.
- Riverside County Transportation Commission ("RCTC") has agreed in principle to grant, or cause to be granted, overhead trackage rights to Union Pacific over Metrolink's San Jacinto branch from the BNSF mainline switch near Highgrove, CA to the new connection identified in the first bullet above.

We are of the understanding that the shippers support the abandonment so long as the parties fulfill the action items identified above. The parties intend to do so. We understand that Union Pacific will not exercise the abandonment authority granted for the northern segment until completion of the action items above.

Union Pacific's abandonment of this trackage will be of benefit for a project to widen the Interstate 215 Freeway, a project being sponsored by SANBAG and the State of California's. By abandoning this segment of track along Union Pacific's Riverside Industrial Lead and serving these shippers via Metrolink's San Jacinto branch, the Interstate 215 expansion project will be able to avoid having to fund the construction of a shoefly track and new rail bridge that crosses Interstate 215. The project is currently scheduled for construction in 2012, with design well underway. Additional design costs associated with this project can be eliminated if certainty can be provided as it relates to the future use of Union Pacific's Riverside Industrial Lead. In addition to the benefits to the Interstate 215 project, a net number of eight existing at-grade surface-street / railroad crossings will be able to be closed as a result of this abandonment.

Based on the foregoing, San Bernardino County Associated Governments requests the Board's expeditious grant of abandonment authority and waiver of the financial assistance provisions of 49 U.S.C. § 10904 for the segment of the line north of Marlborough Avenue.

Respectfully,



Garry Cohoe
Director of Project Delivery

cc: Jerry Wilmoth, Union Pacific
Walt Smith, Burlington Northern



RCTC

Riverside County Transportation Commission

4080 Lemon Street, 3rd Floor • Riverside, CA
Mailing Address: P. O. Box 12008 • Riverside, CA 92502-2208
(951) 787-7141 • Fax (951) 787-7920 • www.rctc.org

September 29, 2010

**The Honorable Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423**

Subject: AB 33 (Sub-No. 226X) Union Pacific Railroad Company, Abandonment of Riverside Industrial Lead in Riverside and San Bernardino Counties, California

Dear Ms. Brown:

Riverside County Transportation Commission (RCTC) fully supports Union Pacific (UP) Railroad Company's petition for exemption to abandon two segments of its Riverside industrial lead in Riverside and San Bernardino Counties in Southern California. Of particular interest to RCTC is the proposed 4.41 mile northern segment abandonment, which extends from mileposts 540.15 near the north end of Union Pacific's Santa Ana River bridge to milepost 544.56, the location of a new connection to the Union Pacific line from Metrolink's San Jacinto branch line in the vicinity of Marlborough Avenue. This abandonment will result in significant benefits for Riverside and San Bernardino Counties and will have no adverse effect on shippers.

RCTC is unaware of any active shippers on the line between the Santa Ana River bridge and Marlborough Avenue. Five active shippers remain on the line south of Marlborough Avenue, including Alpha Industries, CEMEX, Leigh Cement, Omega Plastics, and Sigma Stretch. UP, Burlington Northern Santa Fe (BNSF) Railway, and RCTC have agreed, in principle, to implement the following action items in order to ensure continuing service to the shippers south of Marlborough Avenue.

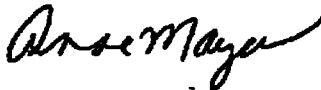
- RCTC has agreed, in principle, to construct a new connection in the southwest quadrant for the intersection between UP's Riverside industrial lead and Metrolink's San Jacinto branch line in the vicinity of Marlborough Avenue.
- UP and BNSF have agreed, in principle, to enter into a joint facilities agreement outlining the terms by which BNSF will switch shippers on UP's Riverside industrial lead, south of Marlborough Avenue on behalf of UP.
- UP has agreed, in principle, to provide BNSF trackage rights from the new connection, outlined in the first bullet above, to the shippers located along UP's Riverside industrial lead south of Marlborough Avenue.
- RCTC has agreed, in principle, to grant, or cause to be granted, overhead trackage rights to UP over Metrolink's San Jacinto branch line from the BNSF mainline switch near Highgrove, CA to the new connection identified in the first bullet above.

The Honorable Cynthia T Brown
September 29, 2010
Page 2

UP's abandonment of this trackage will require that a new connection be constructed in the southwest quadrant of the intersection between UP's Riverside Industrial lead and Metrolink's San Jacinto branch line near milepost 544.56. However, this new connection eliminates an at-grade rail-to-rail crossing and the expense of installing an automatic interlocker that would be required if UP's Riverside Industrial lead were not abandoned. In addition, seven existing at-grade surface street/railroad crossings will be able to be closed.

RCTC requests the Surface Transportation Board's expeditious grant of UP's request for abandonment authorization. RCTC is in the process of finalizing design for the Interstate 215 project. Additional design costs associated with this project can be eliminated if certainty can be provided as it relates to the future use of UP's Riverside industrial lead. Also, RCTC supports UP's request for waiver of the financial assistance provisions of 49 United States Code (U.S.C) § 10904 for the segment of the line north of Marlborough.

Sincerely,

A handwritten signature in cursive script, appearing to read "Anne Mayer".

Anne Mayer
Executive Director

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Combined Environmental and Historic Report in Docket No. AB-33 (Sub-No. 296X), the Riverside Industrial Lead in Riverside and San Bernardino Counties, CA. was served by First Class U.S. Mail, postage prepaid, on the 14th day of December, 2010, on the following parties:

State Clearinghouse (or alternate):

Office of Planning and Research
1400 Tenth Street
Sacramento, CA 95814

U.S. Fish and Wildlife:

U.S. Fish & Wildlife Service, Region 8
2800 Cottage Way W-2606
Sacramento, CA 95825

State Environmental Protection Agency:

California Environmental Protection Agency
1001 I Street
Sacramento, CA 95814

U.S. Army Corps of Engineers:

U.S. Fish & Wildlife Service, Region 8
2800 Cottage Way W-2606
Sacramento, CA 95825

**State Coastal Zone Management Agency
(if applicable):**

California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

National Park Service:

National Park Service
Pacific West Region
One Jackson Center
1111 Jackson Street, Suite 700
Oakland, CA 94607

Head of each County:

Riverside County Administration Center
4080 Lemon Street
Riverside, CA 92501

**U.S. Natural Resources Conservation
Service:**

State Conservationist
Natural Resource Conservation Service
4625 W Jennifer Ave., Ste. 109
Fresno, CA 93722

Laura Welch, Clerk of the Board of Supervisors
385 N. Arrowhead Avenue, 2nd Floor
San Bernardino, CA 92415-0130

National Geodetic Survey:

National Geodetic Survey
Geodetic System Division
Information Services
NOAA/NGS12
1315 E-W Highway
Silver Spring, MD 20910-3282

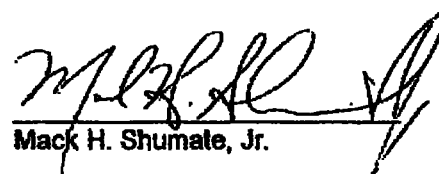
**Environmental Protection Agency
(Regional Office):**

U.S. Environmental Protection Agency
Region 9
75 Hawthorne Street
San Francisco, CA 94105

State Historic Preservation Office:

Office of Historic Preservation
1416 9th Street, Room 1442
P. O. Box 942898
Sacramento, CA 94298-0001

Dated this 14th day of December, 2010.



Mack H. Shumate, Jr.



DEPARTMENT OF THE ARMY

P.O. Box 532711
Los Angeles, CA 90017-3401

December 8, 2010

REPLY TO
ATTENTION OF:
Chief, Regulatory Division

Colleen Graham
Union Pacific Railroad
1400 Douglas Street
Stop 1580
Omaha, Nebraska 68179

Dear Ms. Graham:

It has come to our attention that you plan to abandon and discontinue service of the Riverside Industrial Lead in San Bernardino and Riverside Counties, California. This activity may require a U.S. Army Corps of Engineers permit.

A Corps of Engineers permit is required for:

a) the discharge of dredged or fill material into, including any redeposit of dredged material other than incidental fallback within, "waters of the United States" and adjacent wetlands pursuant to Section 404 of the Clean Water Act of 1972. Examples include, but are not limited to,

1. creating fills for residential or commercial development, placing bank protection, temporary or permanent stockpiling of excavated material, building road crossings, backfilling for utility line crossings and constructing outfall structures, dams, levees, groins, weirs, or other structures;

2. mechanized landclearing, grading which involves filling low areas or land leveling, ditching, channelizing and other excavation activities that would have the effect of destroying or degrading waters of the United States;

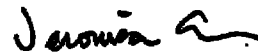
3. allowing runoff or overflow from a contained land or water disposal area to re-enter a water of the United States;

4. placing pilings when such placement has or would have the effect of a discharge of fill material;

b) any combination of the above.

An application for a Department of the Army permit is available on our website: <http://www.spl.usace.army.mil/regulatory/eng4345a.pdf>. If you have any questions, please contact me at 213-452-3292 or via e-mail at Veronica.C.Chan@usace.army.mil. Please refer to this letter and SPL-2010-01139-VCC in your reply.

Sincerely,

A handwritten signature in black ink, appearing to read "Veronica", followed by a stylized flourish or checkmark.

Veronica Chan
Project Manager
Regulatory Division

U.S. Army Corps of Engineers
Los Angeles District-Regulatory Division
P.O. Box 532711
Los Angeles, CA 90053

FIRST CLASS



02 1M \$00.44⁰
0004271412 DEC 10 2010
MAILED FROM ZIP CODE 90017

William Graham
Union Pacific Railroad
1400 Douglas Street
Stop 1580
Aurora, Nebraska 68117

